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USDOC FOR 532/OEA/LHINES
USDOC FOR 3132 FOR FCS/OIO REGIONAL DIRECTOR PATRICK SANTILLO
BICE FOR OFFICE OF STRATEGIC INVESTIGATIONS

SIPDIS

E.O. 12958: N/A

TAGS: BMGT BEXP HK ETRD ETTC
SUBJECT: EXTRANCHECK: POST SHIPMENT VERIFICATION: COREZING
INTERNATIONAL HK CO., LTD.

REF: A) EUC request 01210087

1. Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.

¶2. As per reftel A request and at the direction of the Office of Enforcement Analysis (OEA) of the USDOC Bureau of Industry and Security (BIS), Export Control Officer Philip Ankel (ECO) conducted a post shipment verification (PSV) of a shipment destined to Corezing International Co., Ltd., Shop A1, 287 Cleverly Street, Hong Kong. The items in question for this PSV are 256 low noise amplifiers exported to Corezing on or about February 29, 2008. According to the exporter, these items are classified under Export Control Classification Number (ECCN) 3A001b2d, meaning that they are controlled for national security reasons and would require a license for export/reexport to mainland China but may be shipped license free if for use in Hong Kong. The exporter was Antennas and Components of Andover, Massachusetts.

¶3. According to the Hong Kong Companies Registry, Corezing has been in existence since July 2007. Its paid up share capital is the Hong Kong equivalent of USD 65,000. The Hong Kong Companies Registry lists Luo, Jie (with Mainland passport number 441481198206082304) and Zhou, Zhenyong (with Mainland passport number 441900198910161558) as directors. Corezing in Hong Kong is related to a range of Hong Kong and Singapore based companies. Those companies are the subject of ongoing investigations and a recently published temporary denial order (TDO). That TDO restricts the ability of those companies to acquire products that are subject to the Export Administration Regulations (EAR).

¶4. The shipment address for this transaction corresponds to a currency exchange booth, namely Tung Kee Money Exchange Company (Tung Kee). According to the Hong Kong Inland Revenue Department, Tung Kee has been in existence since 2003. It is a sole proprietorship owned by Mr. To, Ting Ping (with Hong Kong ID H379847).

¶5. On November 11, 2009, ECO and FCS Commercial Assistant Carrie Chan visited Tung Kee and met with a Mr. To, the proprietor of the business. The office location is quite small. Mr. To stated that he accepted shipments on behalf of Ms. Luo Jie of Corezing. Ms. Luo came to pick up the shipments after they arrived. Mr. To stated that he was to have been paid for this service but he never received payment. Mr. To also provided an agreement (bearing the Corezing stamp) providing Tung Kee with the authority to accept packages on Corezing's behalf until 2012. Mr. To stated that he stopped providing this service as it was too much trouble to accept the shipments and it interfered with his exchange business. Mr. To stated that he had received less than 10 shipments on Ms. Luo's behalf and had stopped doing so two years earlier.

¶6. When asked how he came to know Ms. Luo, Mr. To stated that he had been introduced by a friend (but not a close friend). Mr. To

stated that this friend is now located in the United States. Mr. To claimed not to have this friend's phone number now that he had moved to the United States.

¶7. Mr. To stated that he had no documentation related to the order having given it all to Ms. Luo.

¶8. ECO believes Corezing and Tung Kee to be a unsuitable recipients of U.S. origin technology. ECO recommends a close review of all shipments to Corezing and Tung Kee (and its address).